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E.O. 12958: DECL: 02/04/2018

TAGS: [IAEA](#) [KNPP](#) [AORC](#) [IR](#)

SUBJECT: IAEA/IRAN: MAINTAINING PRESSURE ON IRAN AT THE  
MARCH BOARD

REF: UNVIE 31

Classified By: Ambassador Gregory L. Schulte for  
reasons 1.4 b,d and h

Summary

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1. (S) Our principal goal for the Iran agenda item at the March 3-7 Board is, as it has been for the last two years, to support dual-track strategy and, in particular, the Security Council process. Since the Board passed a resolution on February 4, 2006, referring the file to the UNSC, we have not sought a new Board resolution because of concerns about distracting attention from the New York process, worries about divisive debates, and qualms about providing opportunities for those who wish to bring the Iran issue back to Vienna. The French have attempted to circulate elements for a resolution prior to the last two Boards, but were rebuffed by Russia. Now, however, with P5 1 agreement on elements of a new UNSCR, and with the endgame approaching for the DG's work plan to address weaponization issues, and with a Board lacking clear anti-American or pro-Iranian members, the time has come to seriously consider a new resolution. Initial contacts indicate our P3 1 partners are supportive but have a range of interests: the UK wants a strong resolution, voted if necessary (even with opposition from Russia and China), to exert authority over the DG; the French are not interested in taking on the DG but would like a consensus resolution focusing on Iran; and the Germans are not opposed but say that "New York has priority" so if it looks like the Vienna process will interfere with New York, they would back off. Everybody understands the content of a resolution will depend on the results of the work plan the wording of the DG's report, and progress on a third UNSC sanctions resolution in New York. Counselors will work on elements for different scenarios in the next week and proceed from there. If we are instructed to seek a resolution, the UK is likely to take the pen. However it is couched, a resolution would need to assert Board authority over the Iran issue, reaffirm Board/UNSC requirements and reign in the DG.

2. (S) As we prepare for the Board our public and private statements in the coming weeks must set high expectations for the work plan, particularly on weaponization. We recommend a P3 1 demarche prior to the DG report cautioning him that

anything that looks like a whitewash of Iran's weapons activities would risk a rupture with the IAEA's largest donors. Our public diplomacy efforts will also continue to enlist the support of key countries to maintain international pressure on Iran and the DG, making it clear that the litmus test for the work plan is whether Iran has made full disclosure of its past weapons work and allows the IAEA to verify that it stopped. End Summary.

#### Board Objectives

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13. (S) Our overarching goal for the March Board is to support the UNSC process by reinforcing international pressure on Iran and preventing Iran from using Vienna as a pressure release valve. Iran has become adept at pitting Vienna against New York, and playing us off against the Director General. Our objectives for the Board and the work plan are to:

- diminish the value of the IAEA and the work plan as a "pressure relief valve" for Iran;
- reinforce Board requirements for suspension, AP and Code 3.1, bridging the "gap" with the UNSC;
- make clear that the UNSC and the Board, not the DG, must make a final decision on whether to return Iran to "routine" verification;
- reassert Board authority over the DG and dispense with the work plan.

#### Pros and Cons of a Board Resolution

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14. (S) We have pursued these goals with like-minded counterparts during successive Boards in national and EU/EU-3

statements. However, the Board as a whole has not taken any decisive action since referral of the Iran file to the UNSC two years ago. For six months now, the work plan has distracted from UNSC and Board requirements for suspension and AP implementation, and sidetracked the UNSC process. The most definitive means of reaffirming Board authority and dispensing with the work plan is a Board resolution. A resolution could also address important technical issues such as Iran's unilateral abrogation of modified Code 3.1 of the subsidiary arrangements, which the Board has not previously addressed.

15. (S) Since the 2006 referral to the Security Council, the P3 1 and other like-minded have been circumspect about pursuing a Board resolution that would detract from the UNSC process or allow the G-77/NAM to exploit the perception that the Iran file has been returned to the Board. Passage of a Board resolution absent a UNSCR would be an uphill battle and a divisive Board debate could widen the gap with New York. The last attempt by the French to float a resolution in the November Board met with Russian opposition. Mitigating against this now is the fact that we have P5 1 agreement in the UNSC and we have arguably the best Board we have seen in recent years due to the departure of several NAM standard bearers. There is also little overlap, beyond the P5, in Board and UNSC membership - only Italy, Croatia and South Africa, the most problematic, are on both the Board and the UNSC. Prompt passage of a UNSCR prior to the March Board (even if it is just prior) would clearly facilitate Board action. A Board resolution could reinforce the UNSCR and demonstrate that New York and Vienna are in lockstep, countering Iran's premise that Board and UNSC are at odds with one another.

16. (S) Our P3 1 partners are now more open to the idea of a Board resolution. In a February 4 P3 1 strategy session, UK and French Ambassadors were supportive of Board action even absent a UNSCR, though prior passage of a UNSCR is preferable. German Charge Kimmerling was more insistent on giving priority to the UNSC process. UK Ambassador Smith indicated that London is much less nervous about the prospect of a Board resolution and is soliciting his input. He

tentatively agreed in private to be the main drafter of such a resolution. The impetus for this shift is growing UK and French recognition that the Board needs to reign in Director General and the work plan, which has detracted from the UNSC effort to step up pressure on Iran.

#### Low Expectations of the DG Report

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¶17. (S) We predict the DG will report one of three outcomes on the work plan: Iran has come clean, Iran has given a "plausible story" or Iran's cooperation has been unsatisfactory. Since the Secretariat has more or less closed the all other issues, P3 1 partners agree that everything hinges on the DG's treatment of the "alleged studies." French Ambassador Deniau reported that the Secretariat has included one "nuance" on the contamination

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issue in its letter to Iran concerning procurement information that could be linked to the alleged studies. This, he said, was designed to prevent the Iranians from releasing the letter. Kimmerling reported that the Iran has provided significant new information allowing the Secretariat to dispense with the Gachine mine and polonium-210 issues, assessing that there was no military involvement in the former and Iran had not gone beyond basic research on the latter. Deniau also reported that Iran told the Belgian and Croatian Missions in New York that the DG's next report would close all outstanding issues except alleged studies, which the Iranians continue to claim are baseless and politically motivated.

¶18. (S) Mission's assessment is that Iran is unlikely to admit its weaponization work. If Iran were to do so, both the UNSC and the Board would be well-placed to reassert the need for confidence building given Iran's clear violation of the NPT. A Board resolution would be much more difficult if the DG reports, prior to the passage of a UNSCR, that Iran has offered a "plausible story." Conversely, if the DG reports

dissatisfaction with Iran's cooperation, a Board resolution would be much easier, especially if a UNSCR is passed.

¶19. (S) The UK and the French are preparing for the worst. Smith fully expected that the DG report would not be helpful, and the best we could hope for would be that the DG convey the Secretariat's efforts on the work plan in a neutral manner, leaving it for the Board to pass judgment on Iran's credulity. In the worst case scenario, the DG would report that Iran's explanations of the alleged studies were "not inconsistent." Deniau advised that such an outcome, leaving it up to member states, while technically feasible, is politically risky for the DG. The UK discounted any possibility of a report negative for Iran, even if Safeguards staff is dissatisfied with Iran's cooperation, since the DG has vested so much in the success of the work plan. The Germans envisage an indeterminate report that would leave the issue of the alleged studies open. As in past reports, Deniau and Kimmerling believed the DG would include something for everyone, i.e. Iran is cooperating more than before and some issues have been removed from the list of outstanding questions but work remains to be done on alleged studies. The Germans do not think the DG would be bold enough to close this issue.

#### Next Steps: Pressuring the DG

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¶10. (S) In the coming weeks we must continue to set a high bar for the work plan and make clear in our public and private comments that the work plan is meaningless unless Iran admits weaponization activities and allows the IAEA to verify they have stopped. We must also warn the DG in very stark terms that the IAEA's integrity and his own credibility are at stake and that any hint of whitewash of Iran's weapons activities would cause irreparable harm to the Agency's relationship with major donors.

¶11. (S) We recommend conveying these messages through a P3 1 demarche in Vienna, an appropriately-timed phone call from the Secretary, ElBaradei's contacts in Paris and Munich in mid-February, and a possible stop by U/S Burns in Vienna next week. A P3 1 demarche should take place prior to the issuance of the report, expected sometime between February 20-25. The French are not sure of joining such a demarche just after the DG's February 14 trip to Paris where he would have already heard a similar message from the GOF, but we have asked them to reconsider. A demarche prior to the DG report would also allow us to better assess where the DG stands on the work plan, and how to frame a Board resolution.

#### Critical Vs. Consensual Resolution

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¶12. (S) The P3 1 will also work quietly on preparing a resolution, which could be tabled upon the issuance of the report. As to the content of that resolution, P3 1 Ambassadors considered options for a more critical vice consensual assessment of the Secretariat's efforts. If, as expected, the DG is not prepared to say Iran's cooperation on the work plan has been unsatisfactory, the UK is of the view that the Board will have to do so for him. A resolution would underline the Board/UNSC's basic requirements including suspension. The UK argued for a more critical resolution to "put an end to the work plan episode." Smith warned that in the face of an uncritical DG report, we will need to challenge the work plan, even if means a vote. He said his vote counting gave us a bare majority in the Board even if the Russians and Chinese vote against. The French are more inclined to minimize or ignore the work plan and stress other requirements. They also noted that the draft UNSCR language on work plan "progress" would make it difficult to be too tough. A more consensual approach would give the Secretariat an "E" for effort and stress the failure of Iran to resolve issues within and outside the scope of the work plan. The Germans advised that if we want a broader based resolution, we are limited in our ability to criticize the Secretariat. The UK is open to either option, a more critical resolution that wins a bare majority or a more consensual resolution. Kimmerling cautioned that Iran would interpret a bare

majority as a victory and a consensual text is a safer bet. Regardless of how assessment of the work plan is couched, our P3 1 partners agree that the resolution must underline the basic mandate of the Secretariat: verifying the "completeness and correctness" of Iran's declarations, consistent with its safeguards obligations.

#### Timing/Tactics

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¶13. (S) We will continue to consult with P3 1 in Vienna and aim to have resolution elements ready to be deployed, if instructed, upon the release of the DG's report. Early Department guidance on elements of such a resolution would be appreciated. If the UNSC also waits for the DG's report our timing in Vienna will be very restrictive, though not impossible. The key will be enlisting Russia, China and South Africa. An EU-3 sponsored resolution will have EU support and we will also reach out quickly to friendly NAM and GRULAC. Getting South African support will help marginalize NAM opposition. Any effort to garner consensus would take at least until the end of the Board week and perhaps beyond. We may also need Washington support with demarches in capitals, which depending on timing, may need to be deconflicted with demarches on a UNSCR.

¶14. (SBU) We will continue our Public Diplomacy efforts to enlist the support of key countries and keep international pressure on Iran and the DG, while making it clear that the litmus test for the work plan is whether Iran has made full disclosure of its past weapons work and allows the IAEA to verify that it stopped.. Ambassador Schulte will visit Egypt next week where he will speak on the Iran nuclear issue and hold a press roundtable, using points similar to those he

just made in Berlin and Saudi Arabia. We plan to approach our Embassies in select Board member states, Croatia, Mexico, Ecuador, Pakistan and South Africa about holding press roundtables via DVC prior to the BOG. We will reach inside Iran via Ambassador Schulte's Persian blog and Radio Farda, emphasizing the Secretary's message that suspension provides an exit ramp for Iran to normalize its relationship with the U.S.

SCHULTE